The the Affordable Health Care For America Act provides numerous benefits for rural Oregonians. From fixing payment disparities to strengthening Community Health Centers. Below is a brief list of some of these provisions.

Fixing rural payment disparities: Oregon has long been discriminated against in the Medicare payment structure, resulting in one of the lowest reimbursement rates in the country, despite producing some of the best health outcomes. More and more doctors are refusing to take Medicare patients because reimbursement rate is so low. Working with my colleagues from other "Low Cost, High Quality" states such as Minnesota and Iowa, I was able to help secure a breakthrough on the issue of Medicare payment reform in H.R. 3200, the America's Affordable Health Choices Act. Medicare is currently using a fee for service system and outdated statistics to calculate reimbursement rates. This system creates a financial incentive to order more and more procedures and leads to a huge amount of waste. Ironically, this does not result in better care.

The language I helped negotiate takes two steps to correct this inequity and reward states like Oregon. First, it will require the Institute of Medicine and National Academy of Sciences to do a study and make recommendations to level the playing field for states like Oregon that currently have inadequate payment rates. The report must be submitted to the Secretary of Health and Human Services and Congress one year after the legislation is enacted. The Secretary will then implement those recommendations. The improved rates will mean patients in Oregon will have better access to doctors. The new public plan included in the healthcare reform bill will reflect the new Medicare reimbursement rates. The language will also require Medicare to become a quality-based payment system within two years of the enactment of the healthcare reform bill so that more states provide quality, low cost care like Oregon. The language would require Medicare to conduct a two-year study on a value-based system which would reward states like Oregon that are efficient healthcare providers. At the end of the two year study period, Medicare would switch to a quality-based system unless Congress specifically voted to not implement the change.

Provides Coverage for Uninsured Rural Individuals: In rural areas, the uninsured rate reaches 23 percent, almost five percent higher than in urban areas, and the current recession means that more people may lose access to their employer-based health coverage. The bill guarantees that individuals without access to affordable health insurance would have options for

obtaining affordable, quality health care coverage.

Protects Rural Consumers from Discriminatory Practices that Make Coverage Unaffordable: Insurance market reforms that prohibit insurance companies from denying coverage based on pre-existing conditions, protect consumers from high annual out-of-pocket spending, and prohibit charging higher premiums based on gender, will all help make health insurance more accessible and affordable for rural residents.

Provides Bonuses to Reward Primary Care Doctors that Practice in Shortage Areas: Only 9 percent of physicians practice in rural America even though 20 percent of the population lives in these areas. The bill provides a 10 percent incentive payment for primary care doctors practicing in underserved areas, which combined with a current bonus for physicians in shortage areas, will help recruit and retain primary care physicians where they are needed most.

Ensures that Rural Doctors Are Paid the Same Rate for Their Work as Urban Doctors: Prior to 2003, the Medicare reimbursement formula paid doctors practicing in rural areas relatively less for their work, even though they have the same training as their urban counterparts. The bill helps rural physicians by extending an existing provision that addresses this payment inequity.

Rewards Rural Physicians for Coordinating Care for Patients: Coordination of care by a health care professional can help ensure that patients get the right care at the right time. The bill creates a pilot program for "medical homes" in order to reward physicians for spending time coordinating care for their patients and takes steps to ensure that small and community based practices, such as those predominately in rural America, can successfully participate.

Supports Community Health Centers in Rural Areas: Community health centers are an important source of care in rural areas. The bill provides billions in new funds to support community health centers, and maintains the current requirement that these rural areas receive special consideration for distribution of funds.

Trains Primary Care Providers for Rural Areas: There is a shortage of health providers in rural America, particularly primary care. The bill emphasizes training for primary care physicians

by encouraging training outside the hospital where most primary care is practiced, investing in advanced nurse training, and significantly expanding the National Health Service Corps to address work shortages in high-need areas. A new student loan repayment program directs primary care physicians to areas of need, and also supports other specialties and professions to practice in high need areas.

Rewards Physicians who Provide Efficient Care: The bill provides incentive payments to physicians practicing in areas that are identified as being the most cost-efficient areas of the country, many of which are in rural America.

Protects Payments for Rural Outpatient Hospitals: When Medicare moved to a new payment system for outpatient hospitals in 2000, rural hospitals were protected from potential losses. The bill extends this current "hold harmless" policy for rural outpatient hospitals to ensure that rural residents will continue to have access to care.

Helps Certain Rural Hospitals Cover Their Lab Costs: Rural hospitals have lower patient volume than their urban counterparts, making it more difficult to sustain much needed services such as laboratory tests. The bill helps to maintain access to routine lab tests for patients living in rural areas by paying small rural hospitals their reasonable costs for performing clinical laboratory tests.

Protects Ambulance Services in Rural America: The bill protects seniors' access to ambulance services in rural areas by continuing an existing increase to Medicare reimbursement rates for rural ambulance services. These adjustments help compensate for the additional costs incurred for providing these services over great distances.

Ensures Access to Preventive Services in Rural Areas: The bill eliminates cost-sharing for preventive care (including well baby and well child care) to underscore the importance of preventive health services in making America healthier and lowering the growth of health care costs over time. And the legislation caps annual out-of-pocket spending for individuals and families so that no one faces bankruptcy from health costs ever again.

Expands Access to Mental Health Services in Rural Areas: There is a widespread shortage of mental health providers, particularly in rural areas, with nearly 75 percent of American

counties lacking a psychiatrist. The bill addresses this disparity for seniors living in rural America by making marriage and family therapists and mental health counselors eligible for payments under Medicare.

Provides Certain Hospitals the Resources They Need to Compete in an Increasingly Competitive Labor Market: The Medicare Modernization Act enabled certain hospitals, commonly referred to as "Section 508 Hospitals," to be more appropriately reimbursed by Medicare for the services they provide to rural communities. The bill continues these critical payment improvements, enhancing the ability of these rural hospitals to recruit and retain essential staff to care for Medicare beneficiaries in their communities.

Addresses Rural Health Disparities: The bill spends $15 billion over five years on grants to deliver community preventive services to fight things like diabetes, obesity, tobacco use, and substance abuse. Half of these dollars must be spent on programs whose primary purpose is to reduce health disparities, including disparities between urban and rural chronic disease outcomes.

Expanded access to lower-price drugs for rural hospitals: Under the HRSA 340b drug program, rural hospitals and clinics have access to outpatient drugs at low prices -- as low as those paid by the Medicaid program. The legislation extends the eligibility of certain rural and other hospitals under the 340b program to inpatient drugs.